



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/803,153	03/12/2001	Takao Samukawa	1538.1012	.3267
21171	7590	10/23/2007		
STAAS & HALSEY LLP SUITE 700 1201 NEW YORK AVENUE, N.W. WASHINGTON, DC 20005			EXAMINER MILEF, ELDA G	
			ART UNIT	PAPER NUMBER
			3692	
			MAIL DATE	DELIVERY MODE
			10/23/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/803,153

Applicant(s)

SAMUKAWA ET AL.

Examiner

Elda Milef

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 August 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-24 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☒ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date 5/22/2006.
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- ☐ Notice of Informal Patent Application
- ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35

U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

1. Claims 2, 9, 17 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. The Examiner could not find support in the specification for the phrase "differential stock number."

Art Unit: 3692

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fernholz (U.S. Patent No. 5,819,238) in view of Hardy (Hardy, Charles. "Odd Lot Trading on the New York Stock Exchange". Arno Press, 1975).

Re claims 1, 9, 17: Ferholz discloses a method, system and storage medium comprising:

receiving from a customer an odd lot selling order or an odd lot buying order for a particular stock company-see cols. 7-11; col. 25 lines 1-40;

totaling a number of stocks of odd lot selling orders or odd lot buying orders, which are received before a predetermined time ("Inasmuch as a security trade will only be issued in round

Art Unit: 3692

lots, i.e., in lots of 100 share multiples, block 925 then rounds the calculated number of shares to be traded to the nearest multiple of 100 shares, using a centering variable, L..."-see col. 25 lines 5-34 and ("calculating a number of shares in said one security to be traded; rounding said number to a round lot of shares so as to form a rounded share; and incorporating said rounded share number within the corresponding one digital trading instruction")-see col. 32 lines 18-25.

judging, whether or not said totaled number of stocks of said odd lot selling orders or said totaled number of said odd lot buying orders is less than a round lot stock number defined for said particular stock company and equal to or greater than a threshold value that is less than said defined round lot stock number-see col. 25 lines 5-39; and if the totaled number of stocks of said odd lot selling or buying order is judged to be less than said defined round lot stock number, and equal or greater to said threshold value outputting a sell order or buying order of said defined round lot stock number. Fernholz discloses rounding the number of shares of an odd-lot order to the nearest multiple of 100 shares (round lot). Fernholz also discloses a centering variable, L used in the rounding of shares to the nearest multiple of 100. The variable specifies a band relative to the middle of any 100 share lot, at which a share

Art Unit: 3692

quantity will be rounded to the next higher lot [equal to or greater than threshold value]. It is obvious from the teachings of Fernholz that in order for the determination to be made regarding whether or not to round a calculated number of shares to a round lot using a centering variable L , the odd-lot would be rounded if the total number of shares is equal to or greater than the centering variable, L .

Fernholz does not specifically disclose that the judging is done at a predetermined time. It obvious that a time limit would have to be set in order to execute a trade dependent on factors such as customer/trader preferred timing or in order to acquire or sell stock at a certain price or within a price range. Furthermore, Hardy discloses trading in odd-lots to take advantage of price changes -see pp.17, 45 and the practice of "withholding" involves the timing of stock buying and selling that can have a positive or negative effect on a buyers profit margin.-see pp. 81-86. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Fernholz to explicitly include judging if at a predetermined time whether or not said totaled number of stocks of said odd lot order is less than a round lot stock number and equal or greater than a threshold in order to determine if it is

a advantageous time for the trader or customer to execute the trade.

Re claims 2, 10, 18: Although Fernholz discloses determining a threshold value as it relates to rounding shares of an odd lot in order determine if a round lot transaction should be executed in claims 1, 9, 17 above, Fernholz does not specifically disclose determining a threshold value so as to make a total amount of trading fees received from customers for odd-lot orders equal or higher than a risk amount for a stock number that is between said defined round lot stock number and threshold value, wherein said threshold value is a total stock number of said specific odd lot buying or selling orders. Hardy however, teaches "With respect to trades that do not pair off at once, the question is one of balancing the costs of round-lot trading against the costs and risks of carrying an inventory (long or short) in the hope that it will be liquidated later by odd-lot orders...."-see p. 45. Hardy further teaches a comparison of odd lot versus round lot share trading and the profit/loss calculation including commissions and taxes. -see pp. 46-49 and "The question of the volume of round-lot trading thus boils down to a balancing of risks against costs."-see p. 52. It would have been obvious to one having ordinary skill in the art at the

time the invention was made to modify Fernholz to specifically include determining a comparison of cost associated with round lot and odd-lot trading as taught by Hardy so as to balance the costs of round-lot trading against the costs and risks of carrying an inventory of round lots.

Re claims 3,4,11,12,19, and 20: Fernholz does not specifically disclose wherein said risk amount is determined by a limited price range or price itself; determining said threshold value based on trading volume of stocks of said particular stock company. Hardy however, teaches determining costs and risks associated with carrying round-lots in order to execute an odd-lot transaction and comparing price ranges to arrive at risk amounts.-see pp. 33-34;45-47; 22-27; 56-57; 65-67 and determining a substantial fraction of a stock to buy or sell when there is a large volume of stocks being traded.-see pp. 30-36 . It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Fernholz to specifically disclose said risk amount is determined by the stock price and the effect of trading volume on the round-lot trading as taught by Hardy in order to balance the costs of round-lot trading against the costs and risks of carrying an inventory to offset odd-lot transactions. It is obvious from

Art Unit: 3692

the teachings of Hardy that markets with a heavy balance of either buying or selling would impact the decision of the trader to purchase or sell a round-lot if the trader suspects that he will recoup the risk associated with the round-lot purchase to be paired against odd-lot orders. Therefore, the threshold value for rounding an odd-lot share to a round-lot will be higher or lower dependent on market activity.

Re claims 5,6, 13,14, 21,22: Fernholz discloses a method, system and storage medium supra, and further discloses judging whether or not said totaled number of stocks said odd lot buying orders or said totaled number of stocks of said odd lot selling orders that are received at said receiving is over said round lot stock number of said particular stock company-see col. 25 lines 5-35;

Fernholz does not specifically disclose:
if it is judged at said judging that said number of said total stocks of said odd lot buying orders or said number of said total stocks of said odd lot selling orders is over said round lot stock number, judging if possible to provide, and providing a minimum number of ordered stocks of said odd lot buying orders or said odd lot selling orders to each customer who makes said odd lot buying order or said odd lot selling order; and

Art Unit: 3692

providing a number of remainder stocks that is calculated by subtracting a number of all stocks provided at said first providing from said round lot stock number, to a customer who has a remainder of the order, according to a second predetermined rule. Hardy however, teaches the pair off of odd-lot and round-lot trades, carrying an inventory from a round-lot traded with an odd-lot and liquidation of the remaining odd-lot orders later in time. -see pp. 45-51; 29-44. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Fernholz to specifically disclose the pairing off of odd-lot trades as taught by Hardy in order for the customer and trader to complete an odd-lot trading transaction.

Claims 7,8, 15,16, 23,24 have similar limitations found in claims 1, 5-6, 13-14, 21-22 above, and therefore are rejected by the same art and rationale.

Response to Arguments

4. Applicant's arguments with respect to claims 1-24 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

5. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Elda Milef whose telephone number is (571)272-8124. The examiner can normally be reached on Monday -Thursday 8:30 am to 4:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be

Art Unit: 3692

reached on (571)272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Elda Milef
Examiner
Art Unit 3692

Kambiz Abdi
SPE
Art Unit 3692

